GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:2575
ANSWERED ON:02.08.2016
Revenue from Neem Coated Urea
Mishra Shri Bhairon Prasad

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the details of the quantum of revenue saved from neem coated urea;

(b) whether neem coated urea has helped in avoidance of smuggling of urea to other areas including Nepal

(c) if so, the details thereof;

(d) whether savings on revenue is likely to lead to a reduction in the prices thereof; and

(e) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS AND SHIPPING, ROAD TRANSPORT & HIGHWAYS (SHRI MANSUKH L. MANDAVIYA)

(a): Department of Fertilizers (DoF) on 25th May, 2015 made it mandatory for all the indigenous producers of urea to produce 100 % of their total production of subsidized urea as Neem Coated Urea. Subsequently, 100 % Neem Coating of indigenous urea has been achieved w.e.f 1st September, 2015 and 100 % of Neem Coating of imported urea has been achieved w.e.f 1st December, 2015. It is too early to assess, at this stage, the details of quantum of revenue saved from Neem Coated Urea.

(b) & (c): The Government has declared fertilizer as an essential commodity under the Essential Commodities Act, 1955 and notified Fertilizer Control Order, 1985 and Fertilizer (Movement Control) Order, 1973. The State Governments have been empowered to take appropriate action to curb smuggling of fertilizers and initiate action against the persons who violate these orders. Department of Fertilizers has, from time to time, written to the Chief Secretaries of various States and Ministry of Home Affairs to activate the enforcement agencies under their jurisdiction to take appropriate action to curb smuggling and no States/Government agencies have reported any case of smuggling of urea during this year.

(d) & (e): The MRP of urea is statutorily controlled by the Government and at present it is Rs.5360 per tone (exclusive of the central excise duty, central sales tax, countervailing duty, the sales tax and other local taxes wherever levied) w.e.f. 01st November, 2012. There is no proposal to make revision in the price of urea.

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